

STAFFORD COUNTY SCHOOL BOARD

Agenda Consideration

TOPIC: School Board's FY 2007
Proposed Budgets

ITEM NO: 4

PREPARED BY: Jean S. Murray
Superintendent

MEETING: March 21, 2006
ACTION DATE: March 21, 2006

Wayne Carruthers
Assistant Superintendent
for Financial Services

ACTION REQUESTED BY THE SUPERINTENDENT: That the School Board approve the FY 2007 School Proposed Budgets no later than March 21, 2006 to present to the Board of Supervisors on March 28, 2006.

KEY POINTS:

At their work session on March 16, 2006, the School Board reduced the Superintendent's FY 2007 Recommended Funding Request by \$8,582,150. See page 4 for a list of the School Board's March 16, 2006 recommendations.

Subsequent to the March 16 work session other funding reduction suggestions have been received by the Superintendent, as follows:

1. Reduce materials and supplies by an additional \$1.5 million
 - See page 5 for budget details.
2. Reduce capital outlay an additional \$1 million.
 - See page 6 for budget details.
3. Implement two-year phase-in for outsourcing custodial services as recommended in the Gibson Efficiency Review Report.
 - At present, 5 high schools, 1 middle school and 1 elementary school have contracted custodian services. A RFP is out at this time to solicit bids for Dixon-Smith Middle, ES2006, and A.G. Wright Middle. Staff understood that this was the desire of the Board to "phase in" contracted custodial services over a period of time.

At this time overall customer satisfaction for contracted custodial services is poor. Maintaining the appropriate staffing requirements, insuring appropriate criminal background record checks have been performed and overall quality control are ongoing issues. At the same time, staffing our present custodian positions is a major issue. We do have many dedicated custodians. A large number of these individuals have been employed by the district for years and are participating in the VRS and one of our Health Insurance Programs. They further enjoy other benefits (supplemental retirement options, life insurance, etc.) the district offers.

If it is the Board's desire to accelerate this "phase in" effort, it would be prudent to carefully study such a proposition to assure our employees that they will be treated fairly.

Questions to be answered would include:

1. Is VRS transportable to another retirement savings option?
2. Is the employee health insurance plan(s) commensurate?
3. Will service experience be credited by future employer?
4. Will accumulated vacation, sick, and personal leave be credited by future employer?
5. Is employee salary range commensurate?
(Our custodians presently are staffed by sq. ft...22,000)

4. Allocate direct and indirect expenditures to the Nutrition Services' Fund as recommended in the Gibson Efficiency Review Report.

- The Director of School Nutrition has recommended a salary increase for cafeteria workers that would increase the starting wage to \$8.37 an hour. To date, the salary for school nutrition workers is the lowest in the area. Per the recommendation of the efficiency study, school nutrition is contributing \$100K annually to compensate for indirect expenses incurred by the school district. School lunch prices increased \$.20 this year to facilitate the cost of indirect expenses and to pay for the full-time benefit initiative implemented this year for part-time employees. (Lowered threshold for full-time status to 6.5 hrs). It is anticipated that lunch prices will increase by \$.10 this coming school year to fund employee salary increases, capital needs, and indirect expenses.

It is the goal of the Department of School Nutrition to provide a breakfast and lunch cost structure that is economical to encourage maximum student participation. An additional increase in lunch cost beyond that which is planned will place our lunch cost above our neighbors. Should cost go up significantly, student participation may well drop.

5. Utilize the transportation department routing software as recommended by the Gibson Efficiency Review Report.

- Such an accelerated effort could reasonably be initiated by July 07. The Department of Pupil Transportation has made a valiant effort to fully implement our automated routing/scheduling software to increase effectiveness. Our ability to utilize this tool is somewhat hindered because of our "3 bell schedule". Our buses typically run three successive routes in the morning and afternoon... high... middle and elementary. This schedule requires that our buses make specific connections, limits the length/proximity of routes, and requires some "deadhead" miles (travel between schools without students"). These factors are not readily addressed by the automated routing system.

However, even with these limitations we have made significant progress in the efficiency of our routing. In FY03 (efficiency study data) our regular buses recorded 1.98 riders per mile traveled (average daily riders x 180 days ÷ total route miles). In FY05 our regular buses recorded 2.66 riders per mile and this year we project 2.70 riders per mile... a 73% increase! The cost savings associated with this growth are hard to quantify but would be found in fuel, maintenance, and personnel costs. Please note that the study already documented that our cost per mile traveled and cost per student rider was one of the lowest in our peer group.

6. Modify the after-school use policy by raising fees. According to the Gibson Efficiency Review Report we are losing money in 7 out of 17 schools.
 - Presently a committee is reviewing all policies and regulations (5 policies & 5 regulations) related to Community Use of School Facilities. Through this effort it is our intent to clarify language and consolidate content. A foremost consideration is the review of the community use fee structure which includes 1). Basic Facility/Grounds Use Fee, 2). Custodial Services, 3). Supervision, 4). Etc. It is anticipated that the fee structure will increase to fully cover increased utility, maintenance, and personnel costs. The percent of increase has not been determined at this time. The revised policy/regulation will be brought before the School Board for implementation in FY 2007.
7. Debt Service needs to be increased for interest on the Spring FY 2006 VPSA borrow in the amount of \$1,042,500 for a total FY 2007 debt service amount of \$28,095,194.

SCHOOL BOARD GOAL: Provide School Board leadership in advocating for adequate funding in support of Stafford County Public Schools.

FUNDING SOURCE: State, Federal, Local, and Other Budgetary Revenue Sources

AUTHORIZATION REFERENCE: Code of Virginia § 15.2-2503

§ 15.2-2503. Time for preparation and approval of budget; contents.

All officers and heads of departments, offices, divisions, boards, commissions, and agencies of every locality shall, on or before the first day of April of each year, prepare and submit to the governing body an estimate of the amount of money needed during the ensuing fiscal year for his department, office, division, board, commission or agency. If such person does not submit an estimate in accordance with this section, the clerk of the governing body or other designated person or persons shall prepare and submit an estimate for that department, office, division, board, commission or agency.

The governing body shall prepare and approve a budget for informative and fiscal planning purposes only, containing a complete itemized and classified plan of all contemplated expenditures and all estimated revenues and borrowings for the locality for the ensuing fiscal year. The governing body shall approve the budget and fix a tax rate for the budget year no later than the date on which the fiscal year begins.

(Code 1950, § 15-575; 1959, Ex. Sess., c. 69; 1962, c. 623, § 15.1-160; 1976, c. 762; 1978, c. 551; 1997, c. 587.)

School Board's Proposed Reductions to the Superintendent's FY 2007 Recommended Funding Request

(Please note that compensation includes salaries and benefits)

Proposed Reductions	FTE	Amount
1 . Teachers - 30%	11.0	\$ 652,167
2 . Homebound Contact - AA IV - Clerical (200 Days)	1.0	40,293
3 . Coordinator of K-5 Reading/Language Arts (225 Days w/ 7%)	1.0	78,334
4 . ESL Coordinator (225 Days w/ 7%)	1.0	78,374
5 . Repair Technicians (Phase I).....	2.0	110,296
6 . Application Support Engineer (Technology)	1.0	82,575
7 . Skilled Maintenance - Painter	1.0	49,443
8 . Environmental and Compliance Specialist	1.0	94,871
9 . Itinerant Custodians	2.0	70,552
10 . Human Resources - Supervisor	1.0	121,972
11 . Human Resources - Administrative Assistant IV - Clerical	1.0	48,352
12 . Counseling Services Coordinator (225 Days w/ 7%)	1.0	78,374
13 . Public Information - Administrative Assistant IV - Clerical	1.0	48,352
14 . Professional Development Coordinator (225 Days w/ 7%)	1.0	78,334
15 . HVAC General Maintenance Workers	2.0	88,724
16 . Furniture/computer needs for additional staff		7,000
17 . Additional Pickup Truck & Small SUV (Planning & Construction)		42,000
18 . Additional Vehicles (2 - Safety and Security)		26,270
19 . Additional Dump Truck		55,000
20 . Additional Painters' Van		18,500
21 . Elementary Counselors' Contracts to 210 Days		89,750
22 . Teachers on Administrative Assignment		452,939 a)
<i>a) Leaves in A.G.Wright, Stafford, Thompson, and H.H. Poole Middle Schools.</i>		
23 . Elementary Technology Resource Teachers to 11-Month Contracts (17)		98,382
24 . Drivers' Education Assistants (Phase II - Grade 13 to 16)		34,514
25 . Route Coordinators (3) (Grade 18 to Grade 20)		9,057
26 . Special Needs Delivery Coord to Assistant Director		10,020
27 . Dispatchers (2) (Grade 10 to Grade 12)		3,927
28 . Training & Safety Coordinator (Grade 20 to Grade 22)		4,506
29 . Transportation CTT to Computer Specialist (Grade 20 to Grade 22)		4,620
30 . Special Trip Coordinator (Grade 16 to Grade 18)		4,290
31 . Substitute Coordinator (Grade 16 to Grade 18)		4,852
32 . Upgrade High School Computer Technician/Trainer Assistants to Computer Technician/Trainers (5)		138,196
33 . Coordinator of Behavioral Support (Upgrade 220 Days with Stipend)		9,250
34 . Coord of Transition & Alt. Placements (Upgrade 220 Days No Stipend)		9,250
35 . Elementary Schools' Clerical Adm Assts to 12-Month Contracts		46,821
36 . Administrators - Add Level 11 to Salary Scale		650,000
37 . Media Technology Program Plan		196,867
38 . Email Director/Keep in Touch Program		10,600
39 . Training for AP teachers		10,000
40 . Technology for PDC meeting rooms		8,000
41 . FY 2007 Phase of the Springsted Clerical Study Recommendations		376,619
42 . * Data Management Program Plan		1,395,000
43 . * Speech Therapists (Phase II - Migration to OT/PT Scale)		338,534
44 . General Materials and Supplies		2,000,000
45 . General Capital Outlay		1,000,000
Subtotal of Proposed Reductions		\$ 8,775,777

Proposed Additions

1 . Nurses contracted on the Teachers' Scale (Phase I of 3)	179,627 b)
<i>b) Total includes 1st phase cost of \$207,261 minus the additional 2% COLA for nurses of \$27,634 for a net additional cost of \$179,627.</i>	
2 . Attendance Calling System (Middle Schools)	14,000

Net Total of Proposed Reductions & Additions **\$ 8,582,150**

* **Priority for restoration.**

Tentative Reductions

1 . Teachers' Scale - Restore Step 26	497,087
Total Tentative Reductions	\$ 497,087

Proposed Adjustments to the Superintendent's FY 2007 Recommended Funding Request

Page 1 #1 - Materials and Supplies

Funding Recommendation Total	\$ 10,727,523
Less ~ Instruction - School Site Budgets	(1,700,000)
Less ~ Instruction - Textbooks	(1,300,000)
Less ~ Grants	(683,171)
Less ~ Startup Costs for Dixon-Smith	
Middle and Elementary 2006	(815,000)
Less ~ Alternative Education	(44,000)
Less ~ Early Childhood Special Education	(15,000)
Less ~ Software Site Licenses for All Schools	(101,485)
Less ~ Cyclical Replacement Software	(140,000)
Less ~ Special Education Program Software	(34,000)
Less ~ IGPro Gradebook Software & Larsons	(120,400)
Less ~ Computer Repair Parts	(85,000)
Less ~ Other Instructional Programs *	(1,773,556)
Less ~ Vehicle Fuels	(1,472,425)
Less ~ Repair & Maintenance Needs, Replacement Furniture & Equipment, etc	(1,200,000)
Less ~ Already Cut Items:	
1) Email Keep-In-Touch	(10,600)
2) Furniture for New Positions	(7,000)
Subtotal	1,225,886
Less ~ 3/16/06 Cuts	(2,000,000)
Subtotal	(774,114)
Less ~ 3/19/06 Proposals	(1,500,000)
Final Total	(2,274,114)

* Other Instructional Program Items includes:

*Governor's School, Science, Map & Globes, Special Needs, AIMS,
ESL, Foreign Language, SAT & GED, FOCUS, Tradebooks,
Turning Point, Math, PASSPORT, Dual Enrollment, etc.*

Proposed Adjustments to the Superintendent's FY 2007 Recommended Funding Request

Page 1 #2 - Capital Outlay

Funding Recommendation Total	\$ 7,457,945
Less ~ Lease/Financed Replacement Technology	(1,699,439)
Less ~ Lease/Financed Buses	(1,792,837)
Less ~ VPSA Technology	(804,000)
Less ~ E-Rate Technology	(170,000)
Less ~ Career and Technology Items	(562,784)
Less ~ Already Cut Items:	
1) Data Management	(630,000)
2) PDC Technology	(8,000)
3) Variety of Vehicles	<u>(141,770)</u>
Subtotal	1,649,115
Less ~ 3/16/06 Cuts	<u>(1,000,000)</u>
Subtotal	649,115
Less ~ 3/19/06 Proposals	<u>(1,000,000)</u>
Final Total	(350,885)